

A summary of the Aboriginal Procurement Policy Review 2023

What is the Aboriginal Procurement Policy Review 2023

The Aboriginal Procurement Policy (APP) commenced January 2021, with two goals:

- to help create more jobs for Aboriginal and Torres Strait Islander peoples
- to use government procurement to support Aboriginal businesses.

We promised to review the policy after two years. The policy review is also a commitment of the NSW Government’s Closing the Gap Implementation Plan 2022-24. The review looked at what the policy has achieved, what it has done well and what needs improvement.

Who did we speak to

NSW Treasury spoke with Aboriginal and non-Aboriginal businesses, people working in NSW Government, and Aboriginal communities. This approach provided a wide range of perspectives.

We need to understand the issues that are important to everyone who uses the policy. Over the course of the review, we collated over 2,000 individual pieces of feedback.

What did we hear

Everyone raised specific concerns and identified ways we could improve the APP. Participants agreed that good progress has been made, but common themes were that the way the policy is used by agencies and suppliers needs significant change.

Principal issues for Aboriginal businesses and NSW Government staff are listed in the following table.

| Aboriginal businesses | NSW Government staff |
|---|--|
| 1. Increase support services for Aboriginal businesses looking to work with Government. | 1. Increase targets to better support APP objectives. |
| 2. Expand APP reporting and analysis to improve policy implementation. | 2. Help government staff understand the APP. |
| 3. Improve Government staff understanding of how to effectively implement the APP. | 3. Expand APP reporting and analysis to improve policy implementation. |
| 4. Better communication of procurement opportunities. | 4. Create a single place for finding Aboriginal businesses |
| 5. Simplify procurement processes to make working with government easier. | 5. Share more stories about how best to effectively implement the APP across the government. |

What did our stakeholders say

From all feedback received, 17 recommendations were developed to improve how the APP works:



Targets and reporting



Implementation and monitoring



Working better with Aboriginal businesses

1. Improve the targets:
 - a. set a higher annual spend target for procurement with Aboriginal businesses, and increase the target each year
 - b. remove the annual contract targets.
2. Publicly report performance against the APP, including:
 - a. procurement spend with APP-verified Aboriginal businesses
 - b. procurement spend across regions and product or service categories
 - c. the number of unique APP-verified Aboriginal businesses awarded contracts
 - d. the number and value of contracts awarded to APP-verified Aboriginal businesses.
3. Improve policy and procurement reporting processes.
4. Publicly communicate APP results and case studies beyond the [buy.nsw](https://buy.nsw.gov.au) webpage.
5. Share case studies of APP successes and challenges across government, including through an expanded APP Community of Practice.
6. Create mandatory assessment processes for suppliers' Aboriginal participation plans when awarding government contracts valued over \$7.5 million.
7. Provide increased guidance on how the APP works, to improve understanding and implementation of the policy.
8. Improve how Government applies the APP to agreements with multiple suppliers including panels and schemes.
9. Develop a framework to assist agencies to monitor APP participation commitments by suppliers.
10. Collaborate with Aboriginal Affairs NSW to develop guidelines for government agencies to help identify and manage black cladding.
11. Make the APP a fixed agenda item at Procurement Board meetings.
12. Increase visibility of APP-verified Aboriginal businesses on the [buy.nsw](https://buy.nsw.gov.au) supplier hub.
13. Create guidelines for agencies to better support APP-verified Aboriginal businesses throughout the tendering process.
14. Create processes to improve communication with APP-verified Aboriginal businesses and community during project planning.
15. Develop an APP communication strategy to help people learn about the support services available to APP-verified Aboriginal businesses.
16. Continue delivering Gather and Grow events with partner agencies.
17. Work with Aboriginal businesses, community and government agencies to increase the number of APP-verified Aboriginal businesses on NSW Government's Supplier Hub.

What are the next steps

The NSW Government will consider the above recommendations to develop and deliver a new APP. This will include making government processes and procurement procedures more accessible for Aboriginal businesses and individuals.

To read the full APP Review 2023, please visit:

<https://info.buy.nsw.gov.au/policy-library/policies/aboriginal-procurement-policy>.